

State of Rhode Island and Providence Plantations
Public Utilities Commission

Minutes of Open Meeting Held March 3, 2006

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Steve Frias, Cindy Wilson-Frias, Thomas Massaro, Alan Nault, Douglas Hartley and Luly Massaro.

Chairman Germani called the open meeting to order at 10:00 A.M. in the first-floor hearing room of the Public Utilities Commission.

Minutes of Open Meetings held on February 21, 2006 - After review, Chairman Germani moved to approve the minutes. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

Competitive Telecommunications Service Providers

The following companies submitted tariff revisions. The Division has reviewed the tariff filings and did not recommend suspension of:

2426 – TCG-Rhode Island (tariff filing 2/21/06)

2618 – AT&T Communications (tariff filings 2/15 & 2/22/06)

3059 – Broadview Networks, Inc. (tariff filings 2/13 & 2/16/06)

After review, the Commission followed the Division's recommendation that the tariff filings be allowed to go into effect without suspension.

The following company filed a request to cancel its authority to operate. The Division recommends that the company's authority be rescinded:

3220 – Claricom Networks, LLC

After review, Chairman Germani entertained a motion to rescind the authority of the Company. Commissioner Holbrook moved to approve the motion. Commissioner Bray seconded the motion and unanimously passed. Vote 3-0.

3724 – Verizon Rhode Island – Verizon submitted a tariff filing to introduce a monthly late payment charge of 1.5% to be applied on all residential customers' outstanding amounts for effect March 5, 2006. The Division filed a memorandum indicating that Verizon charges business customers a late charge rate of 1.0325% on overdue amounts. The Division also noted that in RI, other utilities that have a late payment charge make no distinction between the residential and business customers. The Division recommended that the residential customer interest rate be no higher than the interest rate for business customers.

After discussion, both Commissioners Holbrook and Bray moved to suspend Verizon's tariff to further investigate the appropriateness of a late charge fee. Chairman Germani dissented noting that Verizon wants to reduce its losses in R.I. Vote 2-1. Commission Staff was asked to investigate whether a late fee is appropriate and if so, how

much.

3723 – Verizon Rhode Island – Verizon submitted an Interconnection Agreement (ICA) and Amendment Nos. 1 and 2 to the ICA entered between Verizon RI and Covista, Inc. The Division has reviewed the ICA and Amendments and recommends approval. After review, Chairman Germani entertained a motion to approve the ICA and Amendments. Commissioner Bray moved to approve the ICA and Amendments. Commissioner Holbrook seconded the motion and unanimously passed. Vote 3-0.

3731 - Rules and Regulations Establishing Minimum Efficiency Standards for Certain New Products Sold in the State of R.I. – The Commission initiated this docket for the purpose of conducting a rulemaking proceeding to adopt Rules and Regulations Establishing Minimum Efficiency Standards for Certain New Products Sold in the State of R.I. Ms. Wilson-Frias summarized the proposed rules and recommended that the Commission issued the rules for public comment and hearing. The rules incorporate the following:

- The rules are proposed pursuant to R.I.G.L. 39-25-5 for adoption by June 1, 2006. The effective date of the rules is January 1, 2007.**
- The Commission's role is to start the process called for by the stature, namely, to establish standards as set forth in the law.**
- The State Energy Office will be responsible for certificating, testing and monitoring.**

- The scope and standards are directly from the statute.
- There are building code regulations that may overlap in some areas. However, it does not pose a problem under R.I.G.L. 42-35-3(a)(3), because in such area of overlap, the Federal Energy Policy Act has already preempted the building code.
- All items listed in Part IV – Scope has been preempted with the exception of two specific items. They are, Metal halide lamps fixtures and the Single Voltage external AC to DC power supplies. These two items are not regulated by building code, but rather during the manufacturing stage.
- While only two items of the products remain within the state's jurisdiction, the rules include all items identified in the statute. A second severability clause dealing specifically with preemption was added at the end.

After review, Chairman Germani moved to initiate this docket to propose Rules and Regulations Establishing Minimum Efficiency Standards for Certain New Products Sold in the State of R.I. The Commission will accept comments until April 10, 2006 and a hearing is scheduled on April 6, 2006. Commissioner Holbrook moved to propose and issue the rules. Commissioner seconded the motion and unanimously passed. Vote 3-0.

The open meeting adjourned at 10:25 A.M.